Exhibit A-13

The economic siege of Palestine

By Shukri Bishara

FEBRUARY 26, 2015, 12:46 PM

Approximately three months ago, Israel's government decided to start freezing the monthly transfer of tax refunds that are owed to Palestinians. The decision by Israel, presumably taken to coerce the Palestinian leadership from applying for membership at the International Criminal Court, is incomprehensible and counterproductive.

The cumulative amount of the seized funds — which represent taxes and customs duties paid in advance by Palestinians for imports of goods and services flowing from Israel — will reach more than $350 million by the end of February. That amount could sink the Palestinian Authority, in which the international community has invested over the past two decades remarkable efforts and resources in order to achieve a "two-state solution" for peace.

The trade relationship between Israel and Palestine is regulated by an agreement referred to as the Paris Protocol, which was entered into in 1995 in the wake of the Oslo agreement. The protocol sets out a functional framework that is similar to a custom union between both parties and calls for the "immediate reciprocal refund" of the taxes paid.

It should be remembered that the Palestinian economy remains totally beholden to Israel because of its control of all border and frontier crossings. The Palestinians find themselves by default obliged to import most of their requirements either from the Israeli market or through Israeli ports, giving the Israelis a lever on our economic survival. What's more, Israel has already pocketed some $400 million over the past 10 years as a "fee" to perform the simple task of transferring these vitally needed funds.

The tax refunds arising from this trade activity in fact constitute more than 70 percent of the Palestinian government's total revenues. The Palestinian government returns much of these taxes to the individual private sector importers in the Palestinian territories to whom these funds are owed.

However, the tax refunds also enable us to cover a significant proportion of the Palestinian government's operating expenses. For instance, they serve to pay public servant wages, police and security services salaries, education and health care, and social welfare transfers to the poor and vulnerable families among the Palestinian population.

No governmental system known to mankind can withstand on a protracted basis the overnight loss of 70 percent of its revenues. Therefore, the withholding of these funds presents a real existential threat not just to the Palestinian Authority, its legitimacy to govern, but to all segments of our society.

There is much more at stake, as history has demonstrated time and again that mutually beneficial economic cooperation between neighbors is a crucial factor for overcoming political differences. Developing our economy, our services, our physical and educational infrastructure, and our employment prospects will help better align standards of living between Israel and Palestine, which will go a long way in addressing traumas of the past and ultimately offering hope to our children for a better future.

However, the Israeli decision to withhold the transfer of the funds smacks of collective punishment against the Palestinian people; the Israeli government is angry that the Palestinian Authority applied for membership in the ICC in order to have independent judicial review of cases relating to crimes committed on Palestinian territory.

Indeed, Israeli citizens have already dragged the Palestinian government into American and Israeli courts many times. Does the Israeli administration believe that access to courts of justice and international law is an exclusive domain reserved for Israeli citizens?

We will not reverse our decision on this matter as the entire purpose of our democratic experiment and the system of institutions we have built is the pursuit of justice for our people through rule of law. The alternative is unthinkable.

The unfortunate consequence of the freezing of our assets is not merely that it eliminates any remaining sense of normality in bilateral commercial relationship between Israelis and Palestinians. It can deal a fatal blow to prospects for peace enshrined in the Oslo Accords, through which the international community partnered with the newly established Palestinian Authority as the self-governing, permanent partner of peace on behalf of our people. By striking at the core of our relationship, the Israeli action will shatter the Palestinian Authority.

Given these stakes, the Israeli calculus is incomprehensible. The action may be motivated by political posturing against a hotly competitive electoral background. But if the true intention is to provoke the disintegration of the Palestinian Authority, one of the few remaining voices of reason and moderation in the area and a committed partner to the peace process between Israel and Palestine, then the Israeli government ought to be careful about what it desires. Our margin for survival as a functioning government is rapidly eroding.

Shukri Bishara is the minister of finance and planning for the Palestinian National Authority.